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nested, or in doubtful keeping order, the official sample tag shall be so marked. Official sample tags shall be attached to the sample, in a manner prescribed by the Director.

§ 29.111 Weight determinations.

Daily before weighing any tobacco for the purposes of the Act, a weigher shall verify the accuracy of the scales to be used by him. Except as may be otherwise specified by the Director, all weights certificated shall be within an accuracy of 1 pound.

§ 29.112 Proper light.

Tobacco shall not be inspected or sampled for the purposes of the Act except when displayed in proper light for correct determination of grade or other characteristics of tobacco. No tobacco shall be inspected or sampled for the purposes of the Act in the direct rays of the sun or by any artificial light which does not permit the inspector correctly to determine the grade or other characteristics of tobacco.

§ 29.113 Suspension and termination.

The license of an inspector, sampler, or weigher may be suspended, pending final action by the Secretary, by any official authorized to countersign licenses whenever he considers such action to be for the best interest of the service. The designation of an appeal inspector may be withdrawn at any time by the Division. Before the license of an inspector, sampler, or weigher is terminated or revoked pursuant to the Act and the regulations in this subpart, such appointee or licensee shall be furnished by the Secretary, or his designated representative, with a written statement specifying the charges, and within 7 days after his suspension, the licensee may file an appeal in writing with the Secretary supported by any evidence he may wish to offer in connection therewith.

FEES AND CHARGES

§ 29.123 Fees and charges.

Fees and charges for tobacco inspection and certification service shall be collected by the Director to cover, insofar as practicable, all costs of the services, including establishment of

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standards, administrative, and supervisory costs, as follows:

(a) *Mandatory inspection.* For each year, AMS will calculate the rate for services, per hour per program employee as described in § 29.123(b) and (c). The fee shall be paid by sellers of tobacco and assessed against the warehouse or receiving station operator irrespective of ownership or interest in the tobacco. When the warehouse or receiving station operator pays the Department, it is presumed the fee was collected from the seller. Inspection and related services shall be suspended or denied if the warehouse or receiving station operator fails to pay the fees and charges imposed under this section. The fee shall be based on total poundage of tobacco inspected and sold during each calendar month. The fee shall be due and payable on the first day of the immediately following month and on the day immediately following the last sale each marketing year. Mandatory inspection and certification services shall take precedence over permissive inspections, other than reinspections.

(b) *Domestic permissive inspection and certification*—(1) *Regular rate.* The total AMS grading, inspection, or sampling program personnel direct pay divided by direct hours, which is then multiplied by the next year's percentage of cost of living increase, plus the benefits rate, plus the operating rate, plus the allowance for bad debt rate. If applicable, travel expenses may also be added to the cost of providing the service.

(2) *Overtime rate.* The total AMS grading, inspection, or sampling program personnel direct pay divided by direct hours, which is then multiplied by the next year's percentage of cost of living increase and then multiplied by 1.5 plus the benefits rate, plus the operating rate, plus an allowance for bad debt. If applicable, travel expenses may also be added to the cost of providing the service.

(3) *Holiday rate.* The total AMS grading, inspection, or sampling program personnel direct pay divided by direct hours which is then multiplied by the next year's percentage of cost of living increase and then multiplied by 2, plus benefits rate, plus the operating rate,

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plus an allowance for bad debt. If applicable, travel expenses may also be added to the cost of providing the service.

(4) *Applicability.* The fees in paragraphs (b)(1) through (3) of this section shall be applicable for hogshead, bale cases, or sample inspections.

(c)(1) For each calendar year, based on previous fiscal year/historical actual costs, AMS will calculate the benefits, operating, and allowance for bad debt components of the regular, overtime and holiday rates as follows:

(i) *Benefits rate.* The total AMS grading, inspection, or sampling program direct benefits costs divided by the total hours (regular, overtime, and holiday) worked, which is then multiplied by the next calendar year's percentage cost of living increase. Some examples of direct benefits are health insurance, retirement, life insurance, and Thrift Savings Plan (TSP) retirement basic and matching contributions.

(ii) *Operating rate.* The total AMS grading, inspection, or sampling program operating costs divided by total hours (regular, overtime, and holiday) worked, which is then multiplied by the percentage of inflation.

(iii) *Allowance for bad debt rate.* Total AMS grading, inspection, or sampling program allowance for bad debt divided by total hours (regular, overtime, and holiday) worked.

(2) The calendar year cost of living expenses and percentage of inflation factors used in the formulas in this section are based on the most recent Office of Management and Budget's Presidential Economic Assumptions.

(d) *Export permissive inspection and certification.* The inspection and certification fee for export tobacco will be determined as described in § 29.123(b) and (c).

(e) Fees and charges fixed in accordance with this subpart shall be paid by the applicant or person obtaining the service in accordance with a statement rendered by the Division. A deposit to cover all, or a part of, fees and charges for services to be rendered may be required by the Division. Fees for services rendered shall be remitted by check or draft made payable to "Agricultural Marketing Service", United States Department of Agriculture.

(f) Fees for special tests and services will be determined by agreement between the Deputy Administrator, Tobacco Programs, and the applicant or applicants for service.

[46 FR 62393, Dec. 24, 1981]

EDITORIAL NOTE: For FEDERAL REGISTER citations affecting § 29.123, see the List of CFR Sections Affected, which appears in the Finding Aids section of the printed volume and at www.fdsys.gov.

§ 29.124 When application rejected or withdrawn.

When an application for inspection, sampling, or weighing is rejected in accordance with § 29.62, or withdrawn in accordance with § 29.63, the applicant may be required to pay a reasonable charge for the time used by an inspector, sampler, or weigher, and other expenses incurred in connection with such application prior to its rejection or withdrawal.

§ 29.125 Charge for appeals.

A charge of \$5 shall be made for each appeal filed under § 29.90 and the fee for an appeal inspection, sampling, or weighing shall equal the fee for the original inspection, sampling, or weighing from which the appeal is taken, plus any charges for travel or other expenses incurred in hearing the appeal: *Provided*, That when a material error in the certificate or sample from which the appeal is taken is found by the appeal inspector the charge and fee shall be waived.

[13 FR 9474, Dec. 31, 1948; 19 FR 57, Jan. 6, 1954, as amended at 46 FR 62394, Dec. 24, 1981]

§ 29.126 When appeal refused or withdrawn.

When an appeal is refused in accordance with § 29.93 or withdrawn in accordance with § 29.94, the appellant may be required to pay a reasonable charge for the time used by the appeal inspector and other expenses incurred in connection with such appeal prior to its denial, dismissal, or withdrawal.